$\mbox{P-}421/\mbox{CP-}87-352$ ORDER ACCEPTING TRAFFIC STUDIES AND REQUIRING THE FILING OF COST STUDIES AND PROPOSED RATES

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Darrel L. Peterson Cynthia A. Kitlinski Dee Knaak Norma McKanna Patrice M. Vick

In the Matter of the Petition of ISSUE DATE: January 10, 1991 Certain Subscribers in the Northfield Exchange for Extended DOCKET NO. P-421/CP-87-352 Area Service to the Minneapolis/St. Paul Metropolitan Calling Area

Commissioner

Commissioner

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ORDER ACCEPTING TRAFFIC STUDIES AND REQUIRING THE FILING OF COST STUDIES AND PROPOSED RATES

Chair

PROCEDURAL HISTORY

On June 11, 1987, certain subscribers in the Northfield exchange submitted a petition for extended area service (EAS) to the Minneapolis/St. Paul metro calling area.

On June 26, 1990, the Commission issued its ORDER AFTER RECONSIDERATION OF JUNE 20, 1989 ORDER IN LIGHT OF MINNESOTA STATUE § 237.161 (1990). In the Matter of the Petitions of Certain Subscribers in the Exchanges of Zimmerman, Prescott, Waconia, Belle Plaine, North Branch, Lindstrom, New Prague, Cambridge, Hudson, Houlton, LeSueur, Cannon Falls, Delano, Northfield, Buffalo and Watertown for Extended Area Service to the Minneapolis/St. Paul Metropolitan Calling Area, Docket No. P-421, 405, 407, 430, 426, 520, 427/CI-87-76. In that Order the Commission directed the telephone company serving the Northfield exchange to file traffic studies to establish whether or not 50 percent or more of its subscribers make one or more calls to the metro calling area per month.

The June 26, 1990 Order was in response to 1990 EAS legislation, Minn. Stat. § 237.161, which listed three criteria for installation of extended area service:

- The petitioning exchange is contiguous to an exchange or 1. local calling area to which EAS is requested;
- 2. A majority of the customers responding to a poll favor EAS;
- 3. A traffic study shows that at least 50 percent of the subscribers in the petitioning exchange make one or more calls per month to the exchange to which EAS is requested.

On July 13, 1990, US West Communications, Inc. (US WEST), the local exchange carrier (LEC) serving the Northfield exchange, filed a letter with the Commission. In the letter US WEST indicated that it did not have sufficient information to provide the traffic studies as required by the Commission's June 26 Order. US WEST stated that the interexchange carriers (IXCs) serving the Northfield exchange could provide this information.

On August 20, 1990, the Commission issued its ORDER REQUIRING THE FILING OF TRAFFIC STUDIES AND GRANTING TIME EXTENSION in the aforementioned docket. In that Order the Commission directed the IXC's serving the Northfield exchange to file the requisite traffic information with the Commission within 60 days of the date of the Order.

AT&T, the dominant IXC serving the Northfield exchange, duly filed traffic studies from which the Commission could determine that more than 50 percent of Northfield subscribers make one or more calls per month to the metro calling area.

On January 2, 1991, the Commission met to consider the matter.

FINDINGS AND CONCLUSIONS

The Commission finds that the traffic study submitted by AT&T, together with information supplied by US WEST, fulfills the traffic criterion of Minn. Stat. § 237.161. The Commission will now require that US WEST and other affected telephone companies proceed to the third criterion of the EAS statute, a polling of the subscribing customers. To prepare for the poll, the affected companies will be required to file cost studies and proposed rates according to the time schedule set out below.

ORDER

- 1. Traffic studies and traffic information filed by US WEST and AT&T are hereby accepted.
- 2. Within 45 days of the date of this Order, US WEST and other affected telephone companies shall file a cost study and proposed rates for EAS between the Northfield exchange and the metro calling area. The cost studies and proposed rates shall meet the requirements of Minn. Stat. § 237.161 and shall be served on the Commission, the Department of Public Service (the Department), the Residential Utilities Division of the Office of the Attorney General and the petition sponsor.

- 3. Within 45 days of the date upon which the above cost studies are filed, the Department shall submit a report and recommendation on the cost studies and proposed rates.
- 4. Interested parties may file comments on the Department's report within 20 days of the filing of the report.
- 5. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster Executive Secretary

(S E A L)